



# State of Utah

*School and Institutional*  
TRUST LANDS ADMINISTRATION

Jon M. Huntsman, Jr.  
Governor

Kevin S. Carter  
Director

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cc: Paul  
5/015/094

July 7, 2006

CERTIFIED MAIL NO. 7160 3901 9842 1746 8925

Jeffrey L. Sagers  
2016 South Montana Ave.  
Provo, UT 84606

**RE: NOTICE OF BREACH OF PERMIT ML 50187-MMP**

Dear Mr. Sager:

Section 3(C) of ML 50187-MP requires that Permittee file with the Permitter, not more than 30 days following the end of each quarter of the permit-year, a Permitter-approved production and settlement transmittal form reporting the quantity of Mineral Commodity produced from the Permitted property during the quarter. Permittee has failed to submit the production report required by the end of May, 2006 and is in default of the terms and conditions of the Permit.

Pursuant to Section 20 of ML 50187-MMP Permittee is hereby given notice that said breach of Section 3(C) shall work a forfeiture of the permit unless acceptable remedy is made within thirty days from date of this letter. Remedy requires that Permittee immediately submit the Permitter-approved production and settlement transmittal due at the end of May, 2006, along with any royalties and late payment penalties accruing to the Permit.

Sincerely,

John T. Blake  
Trust Land Specialist

Encl/Transmittal Form

CC: Paul Baker/WO Encl.